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DERRY RESIDENT PLEADS GUILTY TO DEFRAUDING U.S. GOVERNMENT AND PAYING BRIBES TO A PUBLIC OFFICIAL

CONCORD, NEW HAMPSHIRE -- United States Attorney Tom Colantuono and Special Agent in Charge of the Northeast Field Office of the Department of Veterans Affairs (VA) Office of Inspector General, Criminal Investigations Division, Bruce Sackman, announced that John Burke, a 35-year-old resident of 4 Cross Road in Derry, New Hampshire, has pleaded guilty to conspiracy to defraud the Department of Veteran's Affairs, and paying bribes to a public official.

During a court hearing earlier today, Burke admitted that, over a five-year period, he provided numerous bribes to an employee of the VA, Robert Mayer, in exchange for government contracts worth more than \$3 million which Mayer awarded to Burke's home repair business, Burke Renovations. In particular, Burke admitted that he corruptly influenced Mayer's conduct as an employee of the federal government by making numerous cash payments, totaling more than \$100,000.00, to Mayer, paying for new shingles that were installed on the roof of Mayer's home and paying for ceiling fans that were installed in Mayer's home. Burke also admitted that he and two other individuals, a plumber, who received more than \$600,000.00 in government contracts from Mayer, and an electrician, who received contracts worth slightly less \$100,000.00 from Mayer, caused Mayer to steer government contracts to them by renovating two bathrooms and installing central air conditioning in Mayer's house.

During the hearing an Assistant United States Attorney told U.S. District Court Judge Paul Barbaboro that a landscaper to whom Mayer awarded government contracts, totaling more than \$200,000.00, also mowed Mayer's lawn, installed a retaining wall along Mayer's driveway, and occasionally plowed snow from Mayer's driveway for free.

U.S. Attorney Colantuono praised the work of the V.A. Office of Inspector General and stated, "When you defraud the U.S. Government and bribe government officials by engaging in illegal conduct for monetary gain, you will be caught, charged and prosecuted."

When Robert Mayer also pleaded guilty to conspiracy to defraud the VA and accepting bribes last February, he acknowledged that he rewarded Burke and the other bribe-paying contractors by dishonestly steering government contracts to them and that he dishonestly manipulated the VA's payment procedures which allowed them to be paid exorbitant amounts for work they did, work that was not done and work that was not necessary. Mayer is scheduled to be sentenced by Chief U.S. District Court Judge Steven McAuliffe on May 31, 2005.

When Burke is sentenced by Judge Barbadoro June 29, 2005, he could receive a prison sentence of up to 5 years for the conspiracy offense and 15 years for the bribery offense. He could also be fined up to \$250,000.00 for each offense.

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